

ADOPTED 2006 BUDGET**DEPT:** MILWAUKEE COUNTY TRANSIT/PARATRANSIT SYSTEM**UNIT NO.** 5600**FUND:** Enterprise - 0083**OPERATING AUTHORITY & PURPOSE**

The Department of Public Works – Transportation Section provides public transit services through the Milwaukee County Transit System (MCTS). Direct management and operation of the transit system, including Paratransit Services, is provided by Milwaukee Transport Services, Inc., a private, non-profit corporation under contract to the County. The corporation uses Transit facilities and equipment owned and provided by Milwaukee County.

Paratransit operations include the provision of demand responsive transportation and orientation to transportation services. These services provide a complement to the fixed-route services of MCTS and are available to those who are under the Americans with Disabilities Act (ADA) eligible.

The Transportation Services Section of the Department of Public Works provides County oversight, conducts various transit related studies,

and prepares and administers Federal and State transit grants. Transportation Services also facilitates the acquisition of capital equipment and provides design and construction services for capital facilities, as well as major maintenance projects.

GENERAL SUMMARY

This is a programmatic representation of the Transit Services budget. Each unit presentation includes a fiscal summary, program description and budgetary highlights. The Transit operations description indicates the number of authorized positions assigned to the unit and a departmental summary of changes. The Transit Policy and Capital Acquisition program has no authorized positions but is crosscharged for services provided by the Transportation Services Section of the Department of Public Works.

BUDGET SUMMARY				
Account Summary	2004 Actual	2005 Budget	2006 Budget	2005/2006 Change
Personal Services	\$ 0	\$ 0	\$ 0	\$ 0
Employee Fringe Benefits	0	0	0	0
Services	405,088	360,600	551,072	190,472
Commodities	358,842	440,000	490,000	50,000
Transit Operations	120,320,713	120,401,049	126,096,638	5,695,589
Other Charges	19,964,283	21,921,741	20,823,619	(1,098,122)
Capital Outlay	872,662	838,500	846,300	7,800
County Service Charges	2,156,383	2,437,639	2,332,517	(105,122)
Abatements	(331,130)	(212,331)	(317,504)	(105,173)
Total Expenditures	\$ 143,746,841	\$ 146,187,198	\$ 150,822,642	\$ 4,635,444
State & Federal Revenue	77,070,524	78,796,651	80,199,416	1,402,765
Other Direct Revenue	1,469,688	1,199,600	1,318,500	118,900
Transit Revenue	44,137,430	44,839,177	48,905,545	4,066,368
Total Revenue	\$ 122,677,642	\$ 124,835,428	\$ 130,423,461	\$ 5,588,033
Direct Total Tax Levy	\$ 21,069,199	\$ 21,351,770	\$ 20,399,181	\$ (952,589)

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ADDITIONAL COSTS NOT INCLUDED IN TAX LEVY*				
Account Summary	2004 Actual	2005 Budget	2006 Budget	2005/2006 Change
Central Service Allocation	\$ 294,305	\$ 166,773	\$ 268,657	\$ 101,884
Courthouse Space Rental	0	0	0	0
Document Services	0	0	0	0
Tech Support & Infrastructure	0	0	0	0
Distribution Services	0	1	0	(1)
Emergency Mgmt Services	0	0	0	0
Telecommunications	0	0	0	0
Record Center	0	0	0	0
Radio	25,629	35,414	36,478	1,064
Computer Charges	0	0	0	0
Applications Charges	0	0	0	0
Total Charges	\$ 319,934	\$ 202,188	\$ 305,135	\$ 102,947
Direct Property Tax Levy	\$ 21,069,199	\$ 21,351,770	\$ 20,399,181	\$ (2,931,193)
Total Property Tax Levy	\$ 21,389,133	\$ 21,553,958	\$ 20,704,316	\$ (2,828,246)

* These costs are included in other departmental and non-departmental budgets. They are reflected here to show the "total" amount of tax levy support for this Department.

MISSION

The Milwaukee County Transit/Paratransit System exists to provide reliable, convenient and safe public transportation services that efficiently and effectively meet the varied travel needs of the community and contribute to its quality of life.

DEPARTMENT DESCRIPTION

The **Transit Operations Program** includes all activities necessary for the efficient, day-to-day management and operation of the Milwaukee County Transit System, including the Paratransit System, by Milwaukee Transport Services, Inc., a private nonprofit corporation under contract with Milwaukee County. The corporation employs a work force totaling approximately 1,400 employees who are assigned to four major functional classifications: Administration, Finance, Operations and Marketing.

The **Transit Policy and Capital Acquisition** program is performed by the Transportation Services Section of the Department of Public Works - Transportation Services is responsible for all studies related to transit planning, the replacement and acquisition of transit capital assets, and providing design and construction services for capital facilities. In addition, this section develops and submits grant applications and administers approved State and Federal grants valued at \$80 million per year.

BUDGET HIGHLIGHTS**Fixed-Route Transit Operations**

The following fare increases generate net revenue of \$2,371,400, which offsets the increase in diesel fuel of \$4,060,000 which was budgeted at \$1.00 per gallon in 2005 and is budgeted at \$2.00 per gallon in 2006

1. Transit Fixed Route tickets and passes increase from \$13.00 to \$14.00. This includes an increase in premium tickets from \$16.00 to \$19.00, an increase in regular student passes from \$11.00 to \$13.25, an increase in special student passes from \$11.50 to \$13.75, an increase in the U-Pass from \$38.00 to \$41.00, and an increase in the Commuter Value Pass from \$126.00 to \$155.00. These changes result in a net revenue (passenger abatement) increase of \$1,981,400.
2. Premium Freeway Flyer Fares increase from \$0.30 to \$0.50. This change results in a net revenue (passenger abatement) increase of \$115,000.
3. Fares for Summerfest Flyers, Ethnic Festival Flyers, and State Fair Flyers increase from \$5.00 to \$6.00 and State Fair and Summerfest Shuttle Service increases from \$2.00 to \$3.00.

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These changes result in a net revenue (passenger abatement) increase of \$275,000.

- Transit Passenger revenue is projected to be \$40,541,400 an increase of \$1,941,400 (5.0%) when compared to the 2005 budget. The change in passenger revenue is the result of net revenue gains from fare increases net of current revenue estimates, which indicate that actual 2005 passenger revenue will be less than the 2005 budget projection.
- Bus hours are projected to be 1,421,650, and approximate the 2005 budget. Bus miles in 2006 are projected to be 19,201,849, an increase of 0.7 percent compared to the 2005 budget. These numbers reflect 2005 service levels, adjusted to include additional service funded by WisDOT as part of the Marquette Interchange mitigation project, and the discontinuance of summer service and a reduction of evening service on University Wisconsin - Milwaukee (UWM) routes funded by a Congestion Mitigation Air Quality (CMAQ) grant that will end in May 2006.
- Operating expenses are estimated to be \$126,096,638, an increase of \$5,695,589 compared to the 2005 budget. The change in operating expenses is primarily due to operating additional service for the Marquette Interchange mitigation project (\$2,500,000). Some expense categories increased, notably diesel fuel (\$4,060,000), health insurance (\$1,600,000) and public liability insurance (\$600,000). Expenditures for facility and vehicle maintenance, marketing, and administrative support activities are reduced; however, the primary function of operating transit service will continue as noted above.
- The new Governmental Accounting Boards Statement (GASB) No. 43 and 45 were issued in 2004 to address the issue of post employment benefits for employees and retirees. The new GASB statement will require the recognition of post-retirement health care benefits when earned by the employee. This change will increase the costs of all proprietary funds including Milwaukee County Transit System. In recognition of this upcoming issue a retiree benefit reserve is established at \$1,000,000.

This will help to offset future costs that will need to be addressed beginning in 2007.

- Travel expense decrease \$49,600 from \$59,600 to \$10,000.
- Other Miscellaneous expenditures decrease by \$29,700 from \$107,180 to \$77,480.
- Marketing expenditures decrease by \$198,132 from \$1,541,660 to \$1,343,528.

Paratransit Operations

- The passenger fare will be \$3.25 per one-way trip, the same as 2005.
- Total trips are estimated at 989,296. This number reflects current utilization and is 1.4 percent lower than 2004 actual.
- Purchased transportation expense is estimated at \$18,358,619, a decrease of \$399,343 (2.1%) compared to the 2005 budget. Cost per ride is projected at \$19.72, an increase of 5.0 percent compared to the 2005 budget.
- Transit Plus budgeted expense for fuel surcharge increases by \$165,000 from \$153,396 to \$318,396 in order to acknowledge increased fuel prices and their affect upon the automatic fuel surcharge that is included in the contracts with Transit Plus service providers.
- Overall productivity for van service is projected to be 1.97 rides per hour in 2006, an increase of 4.2 percent compared to the 2005 budget.

Transit Policy and Capital Acquisition

- The percentage allocation for Section 85.21 Federal Funds between Milwaukee County Transit System and the Department on Aging changes from 65% to 72% for Milwaukee County Transit System (MCTS) and from 35% to 28% for the Department on Aging. The budgeted amount for MCTS increases by \$327,476 from \$928,789 to \$1,256,265 and the budgeted amount for Aging remains at the 2005 level of \$500,117.

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- State operating assistance is estimated to be \$57,948,000, an increase of \$1,136,219 (2.0%) compared to the 2005 budget.
- Other State and Federal funding to support Congestion Mitigation and Air Quality Improvement Program (CMAQ) and Wisconsin Employment Transportation Assistance Program (WETAP) / Job Access programs are estimated to be \$727,000, an increase of \$357,000 compared to the 2005 budget. The 2006 budget includes the last half-year of the three-year UWM-CMAQ grant, a grant to maintain current WETAP service, and a WETAP grant for the extension of Route 54 to UMOs.

ACTIVITY AND STATISTICAL SUMMARY			
	<u>2004 Actual</u>	<u>2005 Budget</u>	<u>2006 Budget</u>
Buses Assigned	493	478	478
Buses Operated	411	391	410
Bus Miles	19,341,298	19,069,591	19,201,849
Bus Hours	1,432,220	1,419,703	1,421,650
Revenue Passengers	46,585,331	48,000,000	46,940,000
Cost Per Mile	\$ 6.10	\$ 6.21	\$ 6.48
Cost Per Revenue Passenger	\$ 2.53	\$ 2.47	\$ 2.65
Revenue Per Revenue Passenger	\$ 0.81	\$ 0.80	\$ 0.86
Farebox Recovery Ratio	31.79%	32.16%	32.60%
Transit Plus Ridership	1,003,376	1,074,104	989,296
Transit Plus Cost/Ride	\$ 18.42	\$ 18.78	\$ 19.72
Van Service - Trips Per Hour	1.96	1.89	1.97

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BUS FARES					
	2002	2003	2004	2005	2006
Adult Cash	\$ 1.50	\$ 1.50	\$ 1.75	\$ 1.75	\$ 1.75
Adult Weekly Pass	\$ 12.00	\$ 12.00	\$ 13.00	\$ 13.00	\$ 14.00
Adult Ticket (10)	\$ 12.00	\$ 12.00	\$ 13.00	\$ 13.00	\$ 14.00
Children Ages 6 to 11 (Half Fare)	\$ 0.75	\$ 0.75	\$ 0.85	\$ 0.85	\$ 0.85
Children's Ticket (10) (Half Fare)	\$ 7.50	\$ 7.50	\$ 8.50	\$ 8.50	\$ 8.50
Senior Citizens and Handicapped (Half Fare)	\$ 0.75	\$ 0.75	\$ 0.85	\$ 0.85	\$ 0.85
Senior/Handicapped Ticket (10) (Half Fare)	\$ 7.50	\$ 7.50	\$ 8.50	\$ 8.50	\$ 8.50
Students with Permit	\$ 1.10	\$ 1.10	\$ 1.30	\$ 1.30	\$ 1.30
Student Ticket (10)	\$ 10.00	\$ 10.00	\$ 11.00	\$ 11.00	\$ 13.25
Student Regular Weekly Pass	\$ 10.00	\$ 10.00	\$ 11.00	\$ 11.00	\$ 13.25
Student Special Weekly Pass	\$ 10.50	\$ 10.50	\$ 11.50	\$ 11.50	\$ 13.75
U-Pass	\$ 35.00	\$ 35.00	\$ 38.00	\$ 38.00	\$ 41.00
Commuter Value Pass	\$ 117.00	\$ 117.00	\$ 126.00	\$ 126.00	\$ 155.00
Freeway Flyers	Applicable Fare Plus \$.30	Applicable Fare Plus \$.30	Applicable Fare Plus \$.30	Applicable Fare Plus \$.30	Applicable Fare Plus \$.50
Flyers Ticket (10)	\$ 15.00	\$ 15.00	\$ 16.00	\$ 16.00	\$ 19.00

PARATRANSIT ENROLLMENT/TRIPS

<u>Year/Type</u>	<u>Taxi Trips</u>	<u>Van Trips</u>	<u>Agency Trips</u>	<u>All Trips</u>
1996 Actual	125,613	408,218		533,831
1997 Actual	135,660	589,970		725,630
1998 Actual	150,832	412,958	216,000	779,790
1999 Actual	154,717	492,595	241,590	888,902
2000 Actual	192,170	525,843	266,348	984,361
2001 Actual	204,779	557,005	265,407	1,027,191
2002 Actual	193,345	594,303	260,393	1,048,041
2003 Actual	171,837	636,865	251,823	1,060,525
2004 Actual	154,518	651,976	196,882	1,003,376
2005 Budget	162,000	695,104	217,000	1,074,104
2006 Budget	159,942	656,866	172,488	989,296